

February XX, 2017

Permit: APC-1988/0125-CONSTRUCTION (Amendment 6)(MACT)

Delaware City Logistics Company
Delaware City Sales Terminal
River Road and J Street
Delaware City, DE 19706

ATTENTION: James Fedena
Vice President of Marketing and Logistics

Dear Mr. Fedena:

Pursuant to the State of Delaware Regulation No. 1102, Sections 2 and 12.3 and 7 **DE Admin. Code** 1130 Section 7.10, approval of the Department of Natural Resources and Environmental Control (the Department) is hereby granted for the construction of four (4) additional loading arms for each of lanes 4, 10 and 11 to load ethanol at the Terminal Unit 1 Truck Loading Rack and a vapor vacuum control system for loading lanes connected to the existing vapor recovery unit (VRU) located at the Delaware City Sales Terminal in Delaware City, Delaware, in accordance with the applications submitted on Form Nos. AQM-1, AQM-2, AQM-3.1, AQM-4.1, AQM-4.2, and AQM-5 dated August 11, 2016 signed by James Fedena, Vice President of Marketing and Logistics, and cover letter dated August 18, 2015 signed by Tom Godlewski.

This permit is issued subject to the following conditions:

1. General Provisions

- 1.1. This permit expires on February XX, 2020. If the equipment covered by this permit will not be constructed by February XX, 2020 a request to extend this construction permit must be submitted by February XX, 2019.
- 1.2. The project shall be constructed in accordance with the information described above. If changes are necessary, revised plans must be submitted and a supplemental approval issued prior to actual construction.
- 1.3. Representatives of the Department may, at any reasonable time, inspect this facility.
- 1.4. The owner or operator shall not initiate construction, install, or alter any equipment or facility or air contaminant control device which will emit or prevent

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the emission of an air contaminant prior to submitting an application to the Department pursuant to Regulation No. 1102, and, when applicable Regulation No. 1125, and receiving approval of such application from the Department; except as exempted in Regulation No. 1102 Section 2.2.

- 1.5. This permit may not be transferred to another location or to another piece of equipment or process.
- 1.6. This permit may not be transferred to another person, owner, or operator unless the transfer has been approved in advance by the Department. Approval (or disapproval) of the permit transfer will be provided by the Department in writing. A request for a permit transfer shall be received by the Department at least 30 days before the date of the requested permit transfer. This request shall include:
 - 1.6.1. Signed letters from each person stating the permit transfer is agreeable to each person; and
 - 1.6.2. An Applicant Background Information Questionnaire pursuant to 7 Del C, Chapter 79 if the person receiving the permit has not been issued any permits by the Department in the previous 5 years.
- 1.7. The applicant shall, upon completion, installation, or alteration, request in writing that the Department grant approval to operate.
 - 1.7.1. A separate application to operate pursuant to 7 **DE Admin. Code** 1102 does not need to be submitted to the Department for the equipment or process covered by this construction permit. Upon satisfactory demonstration by an on-site inspection that the equipment or process complies with all of the terms and conditions of this permit, the Department shall issue a 7 **DE Admin. Code** 1102 Operating Permit for this equipment or process.
 - 1.7.2. The applicant shall notify the Department sufficiently in advance of the demonstration and shall obtain the Department's prior concurrence of the operating factors, time period, and other pertinent details in relation to the demonstration.
 - 1.7.3. The provisions of 7 **DE Admin. Code** 1102, Sections 2.1 and 11.3 shall not apply to the operation of equipment or processes for the purpose of initially demonstrating satisfactory performance to the Department following construction, installation, modification, or alteration of the equipment or processes.

2. Emission Limitations

- 2.1. Air contaminant emission levels shall not exceed those specified in the State of Delaware "**Regulations Governing the Control of Air Pollution**" and the following:

- 2.1.1. The total annual VOC emissions from the loading rack and the vapor recovery unit (VRU) inclusive of the fugitive emissions shall not exceed 41.2 tons on a 12 month rolling basis.
- 2.1.2. The annual fugitive emissions from the loading of gasoline and ethanol from the rack shall not exceed 4.4 tons on a 12 month rolling basis.
- 2.1.3. VOC emissions from the VRU shall not exceed 1.1% measured as Propane (dry) on a 60 minute rolling average basis.
- 2.1.4. VOC emissions from the vapor collection and processing systems due to the loading of gasoline cargo tanks shall not exceed 10 mg/L of gasoline loaded.
- 2.2. Odors from this source shall not be detectable beyond the plant property line in sufficient quantities such as to cause a condition of air pollution.

3. Operational Limitations

- 3.1. The owner or operator shall comply with the following operational limits:
 - 3.1.1. Maximum throughput of gasoline shall not exceed 693,720,000 gallons in a rolling 12 month basis.
 - 3.1.2. The number of propane trucks loaded shall not exceed 15,000 in any 12 consecutive months.
 - 3.1.3. The combined ethanol throughput at the Marine Piers and the Terminal Truck Rack shall not exceed an average 10,000 barrels/day in any 12 consecutive months. [Reference: **Permit: APC-1995/0471-C/O (A4)(LAER)(MACT)(NSPS)**]
 - 3.1.4. The Sales Terminal shall not be operated unless the HEADAB or vapor combustion unit is operating properly.
 - 3.1.5. The vapor vacuum control system shall be available and operating properly at 100% capture efficiency at all times when gasoline and ethanol loading takes place excluding maintenance periods. The system capture efficiency shall at no time be less than 98.7%.
 - 3.1.6. Each lane equipped to load gasoline or ethanol shall be equipped with a pressure gauge showing the operating pressure of the vapor vacuum control system at the loading lane. The pressure shall remain at or below the set point established by the testing in Condition 4.3, when in operation.
- 3.2. At all times, including periods of startup, shutdown, and malfunction, the owner or operator shall, to the extent practicable, maintain and operate the facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of

whether acceptable operating procedures are being used will be based on information available to the Department which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.

- 3.3. All structural and mechanical components of the equipment or process covered by this Permit shall be maintained in proper operating condition.

4. Testing and Monitoring Requirements

- 4.1. The Department reserves the right to require that the owner or operator perform emission tests using methods approved in advance by the Department.
- 4.2. VOC emissions from the VRU shall be continuously monitored by a continuous monitoring system (CMS). The facility shall operate and maintain, according to the manufacturer's specifications, the CMS as specified in 40 CFR 63.427(a)(1) and (4). Quality Assurance requirements for the VOC CMS shall be in accordance with the procedures described in 40 CFR 60 Appendix F.
- 4.3. No later than 180 days after initial startup of the vapor vacuum control system and every five (5) years thereafter, the owner or operator shall conduct a compliance demonstration in accordance with a protocol approved by the Department to demonstrate 100% capture efficiency of the vapor vacuum control system, establish the operating value for the vapor vacuum control system and furnish the Department with a written report of the results of each demonstration.

5. Record Keeping Requirements

- 5.1. The owner or operator shall maintain all records necessary for determining compliance with this permit in a readily accessible location for 5 years and shall make these records available to the Department upon written or verbal request.
- 5.2. The following information shall be recorded and maintained:
 - 5.2.1. All periods of operation during which the 60 minute rolling average VOC concentration in the exhaust gases are greater than 1.1% propane (dry).
 - 5.2.2. A log of all operating times of the VRU.
 - 5.2.3. A log of all operating times of the vapor vacuum control system.
 - 5.2.4. A log of maintenance activities related to the vapor vacuum control system.
 - 5.2.5. A log of the rolling 12 month total of propane trucks loaded.
 - 5.2.6. A log of the rolling 12 month total of ethanol throughput.

5.2.7. A log of the pressure of the vapor vacuum control system at each of the loading lanes during loading of gasoline and ethanol.

5.3. The rolling 12 month total VOC emissions and fugitive VOC emissions shall be calculated and recorded each month.

6. Reporting Requirements

6.1. Emissions in excess of any permit condition or emissions which create a condition of air pollution shall be reported to the Department immediately upon discovery and after activating the appropriate site emergency plan, in the following manner:

6.1.1. By calling the Department's Environmental Emergency Notification and Complaint number (800) 662-8802, if the emission poses an imminent and substantial danger to public health, safety or to the environment.

6.1.2. Other emissions in excess of any permit condition or emissions which create a condition of air pollution may be called in to the Environmental Emergency and Complaint number (800) 662-8802 or faxed to (302) 739-2466. The ability to fax in notifications may be revoked upon written notice to the Company by the Department in its sole discretion

6.2. In addition to complying with Condition 6.1 of this permit, any reporting required by 7 Del C §6028 "**Reporting of a Discharge of a Pollutant or an Air Contaminant**", and any other reporting requirements mandated by the State of Delaware, the owner or operator shall, for each occurrence of excess emissions, within 30 calendar days of becoming aware of such occurrence, supply the Department in writing with the following information:

6.2.1. The name and location of the facility;

6.2.2. The subject source(s) that caused the excess emissions;

6.2.3. The time and date of the first observation of the excess emissions;

6.2.4. The cause and expected duration of the excess emissions.

6.2.5. For sources subject to numerical emission limitations, the estimated rate of emissions (expressed in the units of the applicable emission limitation) and the operating data and calculations used in determining the magnitude of the excess emissions; and

6.2.6. The proposed corrective actions and schedule to correct the conditions causing the excess emissions.

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- 6.3. One (1) original and one (1) copy of all required reports shall be sent to the address below:

Division of Air Quality
State Street Commons
100 W. Water Street, Suite 6A
Dover, DE 19904

7. Administrative Conditions

- 7.1. This permit shall be made available on the premises.
- 7.2. Failure to comply with the provisions of this permit may be grounds for suspension or revocation.

Sincerely,

Angela D. Marconi, P.E., BCEE
Acting Program Manager
Engineering & Compliance Branch

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pc: Dover Title V File